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1 **TITLE ____—VEHICLES AND**
2 **FUELS**

3 **Subtitle A—Existing Programs**

4 **SEC. ____01. USE OF ALTERNATIVE FUELS BY DUAL-FUELED**
5 **VEHICLES.**

6 Section 400AA(a)(3)(E) of the Energy Policy and
7 Conservation Act (42 U.S.C. 6374(a)(3)(E)) is amended
8 to read as follows:

9 “(E)(i) Dual fueled vehicles acquired pursuant to this
10 section shall be operated on alternative fuels unless the
11 Secretary determines that an agency qualifies for a waiver
12 of such requirement for vehicles operated by the agency
13 in a particular geographic area in which—

14 “(I) the alternative fuel otherwise required to
15 be used in the vehicle is not reasonably available to
16 retail purchasers of the fuel, as certified to the Sec-
17 retary by the head of the agency; or

18 “(II) the cost of the alternative fuel otherwise
19 required to be used in the vehicle is unreasonably
20 more expensive compared to gasoline, as certified to
21 the Secretary by the head of the agency.

22 “(ii) The Secretary shall monitor compliance
23 with this subparagraph by all such fleets and shall
24 report annually to Congress on the extent to which
25 the requirements of this subparagraph are being

1 achieved. The report shall include information on
2 annual reductions achieved from the use of petro-
3 leum-based fuels and the problems, if any, encoun-
4 tered in acquiring alternative fuels.”.

5 **SEC. ____02. NEIGHBORHOOD ELECTRIC VEHICLES.**

6 Section 301 of the Energy Policy Act of 1992 (42
7 U.S.C. 13211) is amended—

8 (1) in paragraph (3), by striking “or a dual
9 fueled vehicle” and inserting “, a dual fueled vehicle,
10 or a neighborhood electric vehicle”;

11 (2) in paragraph (13), by striking “and” at the
12 end;

13 (3) in paragraph (14), by striking the period at
14 the end and inserting “; and”; and

15 (4) by adding at the end the following:

16 “(15) the term ‘neighborhood electric vehicle’
17 means a motor vehicle that—

18 “(A) meets the definition of a low-speed
19 vehicle (as defined in part 571 of title 49, Code
20 of Federal Regulations);

21 “(B) meets the definition of a zero-emis-
22 sion vehicle (as defined in section 86.1702–99
23 of title 40, Code of Federal Regulations);

24 “(C) meets the requirements of Federal
25 Motor Vehicle Safety Standard No. 500; and

1 “(D) has a maximum speed of not greater
2 than 25 miles per hour.”.

3 **SEC. ____ 03. CREDITS FOR MEDIUM AND HEAVY DUTY DEDI-**
4 **CATED VEHICLES.**

5 Section 508 of the Energy Policy Act of 1992 (42
6 U.S.C. 13258) is amended by adding at the end the fol-
7 lowing:

8 “(e) CREDIT FOR PURCHASE OF MEDIUM AND
9 HEAVY DUTY DEDICATED VEHICLES.—

10 “(1) DEFINITIONS.—In this subsection:

11 “(A) HEAVY DUTY DEDICATED VEHI-
12 CLE.—The term ‘heavy duty dedicated vehicle’
13 means a dedicated vehicle that has a gross vehi-
14 cle weight rating of more than 14,000 pounds.

15 “(B) MEDIUM DUTY DEDICATED VEHI-
16 CLE.—The term ‘medium duty dedicated vehi-
17 cle’ means a dedicated vehicle that has a gross
18 vehicle weight rating of more than 8,500
19 pounds but not more than 14,000 pounds.

20 “(2) CREDITS FOR MEDIUM DUTY VEHICLES.—

21 The Secretary shall issue 2 full credits to a fleet or
22 covered person under this title, if the fleet or covered
23 person acquires a medium duty dedicated vehicle.

24 “(3) CREDITS FOR HEAVY DUTY VEHICLES.—

25 The Secretary shall issue 3 full credits to a fleet or

1 covered person under this title, if the fleet or covered
2 person acquires a heavy duty dedicated vehicle.

3 “(4) USE OF CREDITS.—At the request of a
4 fleet or covered person allocated a credit under this
5 subsection, the Secretary shall, for the year in which
6 the acquisition of the dedicated vehicle is made,
7 treat that credit as the acquisition of 1 alternative
8 fueled vehicle that the fleet or covered person is re-
9 quired to acquire under this title.”.

10 **SEC. ____04. INCREMENTAL COST ALLOCATION.**

11 Section 303(c) of the Energy Policy Act of 1992 (42
12 U.S.C. 13212(c) is amended by striking “may” and insert-
13 ing “shall”.

14 **SEC. ____05. ALTERNATIVE COMPLIANCE AND FLEXIBILITY.**

15 (a) ALTERNATIVE COMPLIANCE.—

16 (1) IN GENERAL.—Title V of the Energy Policy
17 Act of 1992 (42 U.S.C. 13251 et seq.) is amended—

18 (A) by redesignating section 514 as section
19 515; and

20 (B) by inserting after section 513 the fol-
21 lowing:

22 **“SEC. 514. ALTERNATIVE COMPLIANCE.**

23 “(a) APPLICATION FOR WAIVER.—Any covered per-
24 son subject to section 501 and any State subject to section

1 507(o) may petition the Secretary for a waiver of the ap-
2 plicable requirements of section 501 or 507(o).

3 “(b) GRANT OF WAIVER.—The Secretary may grant
4 a waiver of the requirements of section 501 or 507(o)
5 upon a showing that the fleet owned, operated, leased, or
6 otherwise controlled by the State or covered person—

7 “(1) will achieve a reduction in its annual con-
8 sumption of petroleum fuels equal to the reduction
9 in consumption of petroleum that would result from
10 compliance with section 501 or 507(o); and

11 “(2) is in compliance with all applicable vehicle
12 emission standards established by the Administrator
13 under the Clean Air Act (42 U.S.C. 7401 et seq.).

14 “(c) REVOCATION OF WAIVER.—The Secretary shall
15 revoke any waiver granted under this section if the State
16 or covered person fails to comply with subsection (b).”.

17 (2) TABLE OF CONTENTS AMENDMENT.—The
18 table of contents of the Energy Policy Act of 1992
19 (42 U.S.C. prec. 13201) is amended by striking the
20 item relating to section 514 and inserting the fol-
21 lowing:

“Sec. 514. Alternative compliance.

“Sec. 515. Authorization of appropriations.”.

22 (b) CREDITS.—Section 508 of the Energy Policy Act
23 of 1992 (42 U.S.C. 13258) (as amended by § section
24 ____03§) is amended—

1 (1) by redesignating subsections (b) through (e)
2 as subsections (c) through (f), respectively;

3 (2) by striking subsection (a) and inserting the
4 following:

5 “(a) IN GENERAL.—The Secretary shall allocate a
6 credit to a fleet or covered person that is required to ac-
7 quire an alternative fueled vehicle under this title, if that
8 fleet or person acquires—

9 “(1) an alternative fueled vehicle in excess of
10 the number that fleet or person is required to ac-
11 quire under this title;

12 “(2) an alternative fueled vehicle before the
13 date on which that fleet or person is required to ac-
14 quire an alternative fueled vehicle under this title; or

15 “(3) that is eligible to receive credit under sub-
16 section (b).

17 “(b) MAXIMUM AVAILABLE POWER.—The Secretary
18 shall allocate credit to a fleet under subsection (a)(3) for
19 the acquisition by the fleet of a hybrid vehicle as follows:

20 “(1) For a hybrid vehicle with at least 4 per-
21 cent but less than 10 percent maximum available
22 power, the Secretary shall allocate 25 percent of 1
23 credit.

24 “(2) For a hybrid vehicle with at least 10 per-
25 cent but less than 20 percent maximum available

1 power, the Secretary shall allocate 50 percent of 1
2 credit.

3 “(3) For a hybrid vehicle with at least 20 per-
4 cent but less than 30 percent maximum available
5 power, the Secretary shall allocate 75 percent of 1
6 credit.

7 “(4) For a hybrid vehicle with 30 percent or
8 more maximum available power, the Secretary shall
9 allocate 1 credit.”; and

10 (3) by adding at the end the following:

11 “(g) CREDIT FOR INVESTMENT IN ALTERNATIVE
12 FUEL INFRASTRUCTURE.—

13 “(1) DEFINITION OF QUALIFYING INFRASTRUC-
14 TURE.—In this subsection, the term ‘qualifying in-
15 frastructure’ means—

16 “(A) equipment required to refuel or re-
17 charge alternative fueled vehicles;

18 “(B) facilities or equipment required to
19 maintain, repair, or operate alternative fueled
20 vehicles; and

21 “(C) such other activities as the Secretary
22 considers to constitute an appropriate expendi-
23 ture in support of the operation, maintenance,
24 or further widespread adoption of or utilization
25 of alternative fueled vehicles.

1 “(2) ISSUANCE OF CREDITS.—The Secretary
2 shall issue a credit to a fleet or covered person under
3 this title for investment in qualifying infrastructure
4 if the qualifying infrastructure is open to the general
5 public during regular business hours.

6 “(3) AMOUNT.—For the purpose of credits
7 under this subsection—

8 “(A) 1 credit shall be equal to a minimum
9 investment of \$25,000 in cash or equivalent ex-
10 penditure, as determined by the Secretary; and

11 “(B) except in the case of a Federal or
12 State fleet, no part of the investment may be
13 provided by Federal or State funds.

14 “(4) USE OF CREDITS.—At the request of a
15 fleet or covered person allocated a credit under this
16 subsection, the Secretary shall, for the year in which
17 the investment is made, treat that credit as the ac-
18 quisition of 1 alternative fueled vehicle that the fleet
19 or covered person is required to acquire under this
20 title.

21 “(h) DEFINITION OF MAXIMUM AVAILABLE
22 POWER.—In this section, the term ‘maximum available
23 power’ means the quotient obtained by dividing—

24 “(1) the maximum power available from the en-
25 ergy storage device of a hybrid vehicle, during a

1 standard 10-second pulse power or equivalent test;
2 by

3 “(2) the sum of—

4 “(A) the maximum power described in sub-
5 paragraph (A); and

6 “(B) the net power of the internal combus-
7 tion or heat engine, as determined in accord-
8 ance with standards established by the Society
9 of Automobile Engineers.”.

10 (c) LEASE CONDENSATE FUELS.—Section 301 of the
11 Energy Policy Act of 1992 (42 U.S.C. 13211) (as amend-
12 ed by **section ____02**) is amended—

13 (1) in paragraph (2), by inserting “mixtures
14 containing 50 percent or more by volume of lease
15 condensate or fuels extracted from lease conden-
16 sate;” after “liquefied petroleum gas;”;

17 (2) in paragraph (14)—

18 (A) by inserting “mixtures containing 50
19 percent or more by volume of lease condensate
20 or fuels extracted from lease condensate;” after
21 “liquefied petroleum gas;” and

22 (B) by striking “and” at the end;

23 (3) in paragraph (15), by striking the period at
24 the end and inserting “; and”; and

25 (4) by adding at the end the following:

1 “(16) the term ‘lease condensate’ means a mix-
2 ture, primarily of pentanes and heavier hydro-
3 carbons, that is recovered as a liquid from natural
4 gas in lease separation facilities.”.

5 (d) LEASE CONDENSATE USE CREDITS.—

6 (1) IN GENERAL.—Title III of the Energy Pol-
7 icy Act of 1992 (42 U.S.C. 13211 et seq.) is amend-
8 ed by adding at the end the following:

9 **“SEC. 313. LEASE CONDENSATE USE CREDITS.**

10 “(a) IN GENERAL.—Subject to subsection (d), the
11 Secretary shall allocate 1 credit under this section to a
12 fleet or covered person for each qualifying volume of the
13 lease condensate component of fuel containing at least 50
14 percent lease condensate, or fuels extracted from lease
15 condensate, after the date of enactment of this section for
16 use by the fleet or covered person in vehicles owned or
17 operated by the fleet or covered person that weigh more
18 than 8,500 pounds gross vehicle weight rating.

19 “(b) REQUIREMENTS.—A credit allocated under this
20 section—

21 “(1) shall be subject to the same exceptions,
22 authority, documentation, and use of credits that are
23 specified for qualifying volumes of biodiesel in sec-
24 tion 312; and

1 “(2) shall not be considered a credit under sec-
2 tion 508.

3 “(c) REGULATION.—

4 “(1) IN GENERAL.—Subject to subsection (d),
5 not later than January 1, 2004, after the collection
6 of appropriate information and data that consider
7 usage options, potential volume capacities, costs, air
8 emissions, and fuel efficiencies, the Secretary shall
9 promulgate a regulation establishing requirements
10 and procedures for the implementation of this sec-
11 tion.

12 “(2) QUALIFYING VOLUME.—The regulation
13 shall include a determination of an appropriate
14 qualifying volume for lease condensate, except that
15 in no case shall the Secretary determine that the
16 qualifying volume for lease condensate is less than
17 1,125 gallons.

18 “(d) APPLICABILITY.—This section applies unless the
19 Secretary finds that the use of lease condensate as an al-
20 ternative fuel would adversely affect public health or safe-
21 ty or ambient air quality.”.

22 “(2) TABLE OF CONTENTS AMENDMENT.—The
23 table of contents of the Energy Policy Act of 1992
24 (42 U.S.C. prec. 13201) is amended by adding at

1 the end of the items relating to title III the fol-
2 lowing:

“Sec. 313. Lease condensate use credits.”.

3 **SEC. ____06. REVIEW OF ENERGY POLICY ACT OF 1992 PRO-**
4 **GRAMS.**

5 (a) IN GENERAL.—Not later than 180 days after the
6 date of enactment of this section, the Secretary of Energy
7 shall complete a study to determine the effect that titles
8 III, IV, and V of the Energy Policy Act of 1992 (42
9 U.S.C. 13211 et seq.) have had on—

10 (1) the development of alternative fueled vehicle
11 technology;

12 (2) the availability of that technology in the
13 market; and

14 (3) the cost of alternative fueled vehicles.

15 (b) TOPICS.—As part of the study under subsection
16 (a), the Secretary shall specifically identify—

17 (1) the number of alternative fueled vehicles ac-
18 quired by fleets or covered persons required to ac-
19 quire alternative fueled vehicles;

20 (2) the quantity, by type, of alternative fuel ac-
21 tually used in alternative fueled vehicles acquired by
22 fleets or covered persons;

23 (3) the quantity of petroleum displaced by the
24 use of alternative fuels in alternative fueled vehicles
25 acquired by fleets or covered persons;

1 (4) the direct and indirect costs of compliance
2 with requirements under titles III, IV, and V of the
3 Energy Policy Act of 1992 (42 U.S.C. 13211 et
4 seq.), including—

5 (A) vehicle acquisition requirements im-
6 posed on fleets or covered persons;

7 (B) administrative and recordkeeping ex-
8 penses;

9 (C) fuel and fuel infrastructure costs;

10 (D) associated training and employee ex-
11 penses; and

12 (E) any other factors or expenses the Sec-
13 retary determines to be necessary to compile re-
14 liable estimates of the overall costs and benefits
15 of complying with programs under those titles
16 for fleets, covered persons, and the national
17 economy; and

18 (5) the existence of obstacles preventing compli-
19 ance with vehicle acquisition requirements and in-
20 creased use of alternative fuel in alternative fueled
21 vehicles acquired by fleets or covered persons.

22 (c) REPORT.—Upon completion of the study under
23 this section, the Secretary shall submit to Congress a re-
24 port that describes the results of the study and includes
25 any recommendations of the Secretary for legislative or

1 administrative changes concerning the alternative fueled
2 vehicle requirements under titles III, IV and V of the En-
3 ergy Policy Act of 1992 (42 U.S.C. 13211 et seq.).

4 **Subtitle B—Hybrid Vehicles, Ad-**
5 **vanced Vehicles, and Fuel Cell**
6 **Buses**

7 **PART 1—HYBRID VEHICLES**

8 **SEC. ____ 11. HYBRID VEHICLES.**

9 The Secretary of Energy shall accelerate efforts di-
10 rected toward the improvement of batteries and other re-
11 chargeable energy storage systems, power electronics, hy-
12 brid systems integration, and other technologies for use
13 in hybrid vehicles.

14 **PART 2—ADVANCED VEHICLES**

15 **SEC. ____ 21. DEFINITIONS.**

16 In this part:

17 (1) ALTERNATIVE FUELED VEHICLE.—

18 (A) IN GENERAL.—The term “alternative
19 fueled vehicle” means a vehicle propelled solely
20 on an alternative fuel (as defined in section 301
21 of the Energy Policy Act of 1992 (42 U.S.C.
22 13211)).

23 (B) EXCLUSION.—The term “alternative
24 fueled vehicle” does not include a vehicle that
25 the Secretary determines, by regulation, does

1 not yield substantial environmental benefits
2 over a vehicle operating solely on gasoline or
3 diesel derived from fossil fuels.

4 (2) FUEL CELL VEHICLE.—The term “fuel cell
5 vehicle” means a vehicle propelled by an electric
6 motor powered by a fuel cell system that converts
7 chemical energy into electricity by combining oxygen
8 (from air) with hydrogen fuel that is stored on the
9 vehicle or is produced onboard by reformation of a
10 hydrocarbon fuel. Such fuel cell system may or may
11 not include the use of auxiliary energy storage sys-
12 tems to enhance vehicle performance.

13 (3) HYBRID VEHICLE.—The term “hybrid vehi-
14 cle” means a medium or heavy duty vehicle propelled
15 by an internal combustion engine or heat engine
16 using any combustible fuel and an onboard recharge-
17 able energy storage device.

18 (4) NEIGHBORHOOD ELECTRIC VEHICLE.—The
19 term “neighborhood electric vehicle” means a motor
20 vehicle that—

21 (A) has a maximum speed of not greater
22 than 25 miles per hour;

23 (B) is a low-speed vehicle (as defined in
24 section 571.3(b) of title 49, Code of Federal
25 Regulations, or any successor regulation);

1 (C) is a zero-emission vehicle (as defined in
2 section 86.1702–99 of title 40, Code of Federal
3 Regulations, or any successor regulation); and

4 (D) may lawfully be operated on a public
5 street.

6 (5) PILOT PROGRAM.—The term “pilot pro-
7 gram” means the competitive grant program estab-
8 lished under [section ____22].

9 (6) SECRETARY.—The term “Secretary” means
10 the Secretary of Energy.

11 (7) ULTRA-LOW SULFUR DIESEL VEHICLE.—
12 The term “ultra-low sulfur diesel vehicle” means a
13 vehicle manufactured in any of model years 2002
14 through 2006 powered by a heavy-duty diesel engine
15 that—

16 (A) is fueled by diesel fuel that contains
17 sulfur at not more than 15 parts per million;
18 and

19 (B) emits not more than the lesser of—

20 (i) for vehicles manufactured in—

21 (I) model years 2002 and 2003,
22 3.0 grams per brake horsepower-hour
23 of oxides of nitrogen and .01 grams
24 per brake horsepower-hour of particu-
25 late matter; and

1 (II) model years 2004 through
2 2006, 2.5 grams per brake horse-
3 power-hour of nonmethane hydro-
4 carbons and oxides of nitrogen and
5 .01 grams per brake horsepower-hour
6 of particulate matter; or

7 (ii) the quantity of emissions of non-
8 methane hydrocarbons, oxides of nitrogen,
9 and particulate matter of the best-per-
10 forming technology of ultra-low sulfur die-
11 sel vehicles of the same class and applica-
12 tion that are commercially available.

13 **SEC. ____22. PILOT PROGRAM.**

14 (a) ESTABLISHMENT.—The Secretary shall establish
15 a competitive grant pilot program, to be administered
16 through the Clean Cities Program of the Department of
17 Energy, to provide not more than 10 geographically dis-
18 persed project grants to State governments, local govern-
19 ments, or metropolitan transportation authorities to carry
20 out a project or projects for the purposes described in sub-
21 section (b).

22 (b) GRANT PURPOSES.—A grant under this section
23 may be used for the following purposes:

24 (1) The acquisition of alternative fueled vehicles
25 or fuel cell vehicles, including—

1 (A) passenger vehicles (including neighbor-
2 hood electric vehicles); and

3 (B) motorized 2-wheel bicycles, scooters, or
4 other vehicles for use by law enforcement per-
5 sonnel or other State or local government or
6 metropolitan transportation authority employ-
7 ees.

8 (2) The acquisition of alternative fueled vehi-
9 cles, hybrid vehicles, or fuel cell vehicles, including—

10 (A) buses used for public transportation or
11 transportation to and from schools;

12 (B) delivery vehicles for goods or services;
13 and

14 (C) ground support vehicles at public air-
15 ports (including vehicles to carry baggage or
16 push or pull airplanes toward or away from ter-
17 minal gates).

18 (3) The acquisition of ultra-low sulfur diesel ve-
19 hicles.

20 (4) Installation or acquisition of infrastructure
21 necessary to directly support an alternative fueled
22 vehicle, fuel cell vehicle, or hybrid vehicle project
23 funded by the grant, including fueling and other
24 support equipment.

1 (5) Operation and maintenance of vehicles, in-
2 frastructure, and equipment acquired as part of a
3 project funded by the grant.

4 (c) APPLICATIONS.—

5 (1) REQUIREMENTS.—

6 (A) IN GENERAL.—The Secretary shall
7 issue requirements for applying for grants
8 under the pilot program.

9 (B) MINIMUM REQUIREMENTS.—At a min-
10 imum, the Secretary shall require that an appli-
11 cation for a grant—

12 (i) be submitted by the head of a
13 State or local government or a metropoli-
14 tan transportation authority, or any com-
15 bination thereof, and a registered partici-
16 pant in the Clean Cities Program of the
17 Department of Energy; and

18 (ii) include—

19 (I) a description of the project
20 proposed in the application, including
21 how the project meets the require-
22 ments of this part;

23 (II) an estimate of the ridership
24 or degree of use of the project;

1 (III) an estimate of the air pollu-
2 tion emissions reduced and fossil fuel
3 displaced as a result of the project,
4 and a plan to collect and disseminate
5 environmental data, related to the
6 projects to be funded under the grant,
7 over the life of the projects;

8 (IV) a description of how the
9 project will be sustainable without
10 Federal assistance after the comple-
11 tion of the term of the grant;

12 (V) a complete description of the
13 costs of the project, including acquisi-
14 tion, construction, operation, and
15 maintenance costs over the expected
16 life of the project;

17 (VI) a description of which costs
18 of the project will be supported by
19 Federal assistance under this part;
20 and

21 (VII) documentation to the satis-
22 faction of the Secretary that diesel
23 fuel containing sulfur at not more
24 than 15 parts per million is available
25 for carrying out the project, and a

1 commitment by the applicant to use
2 such fuel in carrying out the project.

3 (2) PARTNERS.—An applicant under paragraph
4 (1) may carry out a project under the pilot program
5 in partnership with public and private entities.

6 (d) SELECTION CRITERIA.—In evaluating applica-
7 tions under the pilot program, the Secretary shall—

8 (1) consider each applicant's previous experi-
9 ence with similar projects; and

10 (2) give priority consideration to applications
11 that—

12 (A) are most likely to maximize protection
13 of the environment;

14 (B) demonstrate the greatest commitment
15 on the part of the applicant to ensure funding
16 for the proposed project and the greatest likeli-
17 hood that the project will be maintained or ex-
18 panded after Federal assistance under this part
19 is completed; and

20 (C) exceed the minimum requirements of
21 subsection (c)(1)(B)(ii).

22 (e) PILOT PROJECT REQUIREMENTS.—

23 (1) MAXIMUM AMOUNT.—The Secretary shall
24 not provide more than \$20,000,000 in Federal as-
25 sistance under the pilot program to any applicant.

1 (2) COST SHARING.—The Secretary shall not
2 provide more than 50 percent of the cost, incurred
3 during the period of the grant, of any project under
4 the pilot program.

5 (3) MAXIMUM PERIOD OF GRANTS.—The Sec-
6 retary shall not fund any applicant under the pilot
7 program for more than 5 years.

8 (4) DEPLOYMENT AND DISTRIBUTION.—The
9 Secretary shall seek to the maximum extent prac-
10 ticable to ensure a broad geographic distribution of
11 project sites.

12 (5) TRANSFER OF INFORMATION AND KNOWL-
13 EDGE.—The Secretary shall establish mechanisms to
14 ensure that the information and knowledge gained
15 by participants in the pilot program are transferred
16 among the pilot program participants and to other
17 interested parties, including other applicants that
18 submitted applications.

19 (f) SCHEDULE.—

20 (1) PUBLICATION.—Not later than 90 days
21 after the date of enactment of this Act, the Sec-
22 retary shall publish in the Federal Register, Com-
23 merce Business Daily, and elsewhere as appropriate,
24 a request for applications to undertake projects
25 under the pilot program. Applications shall be due

1 within 180 days after the date of publication of the
2 notice.

3 (2) SELECTION.—Not later than 180 days after
4 the date by which applications for grants are due,
5 the Secretary shall select by competitive, peer re-
6 viewed proposal, all applications for projects to be
7 awarded a grant under the pilot program.

8 (g) LIMIT ON FUNDING.—The Secretary shall pro-
9 vide not less than 20 nor more than 25 percent of the
10 grant funding made available under this section for the
11 acquisition of ultra-low sulfur diesel vehicles.

12 **SEC. ____ 23. REPORTS TO CONGRESS.**

13 (a) INITIAL REPORT.—Not later than 60 days after
14 the date on which grants are awarded under this part,
15 the Secretary shall submit to Congress a report
16 containing—

17 (1) an identification of the grant recipients and
18 a description of the projects to be funded;

19 (2) an identification of other applicants that
20 submitted applications for the pilot program; and

21 (3) a description of the mechanisms used by the
22 Secretary to ensure that the information and knowl-
23 edge gained by participants in the pilot program are
24 transferred among the pilot program participants

1 and to other interested parties, including other ap-
2 plicants that submitted applications.

3 (b) EVALUATION.—Not later than 3 years after the
4 date of enactment of this Act, and annually thereafter
5 until the pilot program ends, the Secretary shall submit
6 to Congress a report containing an evaluation of the effec-
7 tiveness of the pilot program, including—

8 (1) an assessment of the benefits to the envi-
9 ronment derived from the projects included in the
10 pilot program; and

11 (2) an estimate of the potential benefits to the
12 environment to be derived from widespread applica-
13 tion of alternative fueled vehicles and ultra-low sul-
14 fur diesel vehicles.

15 **SEC. ____ 24. AUTHORIZATION OF APPROPRIATIONS.**

16 There are authorized to be appropriated to the Sec-
17 retary to carry out this part \$200,000,000, to remain
18 available until expended.

19 **PART 3—FUEL CELL BUSES**

20 **SEC. ____ 31. FUEL CELL TRANSIT BUS DEMONSTRATION.**

21 (a) IN GENERAL.—The Secretary of Energy shall es-
22 tablish a transit bus demonstration program to make com-
23 petitive, merit-based awards for 5-year projects to dem-
24 onstrate not more than 12 fuel cell transit buses (and nec-

1 essary infrastructure) in 3 geographically dispersed local-
2 ities.

3 (b) PREFERENCE.—In selecting projects under this
4 section, the Secretary shall give preference to projects that
5 are most likely to mitigate congestion and improve air
6 quality.

7 (c) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to the Secretary to carry
9 out this section \$10,000,000 for each of fiscal years 2004
10 through 2007.

11 **Subtitle C—Clean School Buses**

12 **SEC. ____ 41. DEFINITIONS.**

13 In this subtitle:

14 (1) ADMINISTRATOR.—The term “Adminis-
15 trator” means the Administrator of the Environ-
16 mental Protection Agency.

17 (2) ALTERNATIVE FUEL.—The term “alter-
18 native fuel” means liquefied natural gas, compressed
19 natural gas, liquefied petroleum gas, hydrogen, pro-
20 pane, or methanol or ethanol at no less than 85 per-
21 cent by volume.

22 (3) ALTERNATIVE FUEL SCHOOL BUS.—The
23 term “alternative fuel school bus” means a school
24 bus that meets all of the requirements of this sub-
25 title and is operated solely on an alternative fuel.

1 (4) EMISSIONS CONTROL RETROFIT TECH-
2 NOLOGY.—The term “emissions control retrofit tech-
3 nology” means a particulate filter or other emissions
4 control equipment that is verified or certified by the
5 Administrator or the California Air Resources Board
6 as an effective emission reduction technology when
7 installed on an existing school bus.

8 (5) IDLING.—The term “idling” means oper-
9 ating an engine while remaining stationary for more
10 than approximately 15 minutes, except that the term
11 does not apply to routine stoppages associated with
12 traffic movement or congestion.

13 (6) ULTRA-LOW SULFUR DIESEL FUEL.—The
14 term “ultra-low sulfur diesel fuel” means diesel fuel
15 that contains sulfur at not more than 15 parts per
16 million.

17 (7) ULTRA-LOW SULFUR DIESEL FUEL SCHOOL
18 BUS.—The term “ultra-low sulfur diesel fuel school
19 bus” means a school bus that meets all of the re-
20 quirements of this subtitle and is operated solely on
21 ultra-low sulfur diesel fuel.

22 **SEC. ____42. PROGRAM FOR REPLACEMENT OF CERTAIN**
23 **SCHOOL BUSES WITH CLEAN SCHOOL BUSES.**

24 (a) ESTABLISHMENT.—The Administrator, in con-
25 sultation with the Secretary, shall establish a program for

1 awarding grants on a competitive basis to eligible entities
2 for the replacement of existing school buses manufactured
3 before model year 1991 with alternative fuel school buses
4 and ultra-low sulfur diesel fuel school buses.

5 (b) REQUIREMENTS.—

6 (1) IN GENERAL.—Not later than 90 days after
7 the date of enactment of this Act, the Administrator
8 shall establish and publish in the Federal Register
9 grant requirements on eligibility for assistance, and
10 on implementation of the program established under
11 subsection (a), including instructions for the submis-
12 sion of grant applications and certification require-
13 ments to ensure compliance with this subtitle.

14 (2) APPLICATION DEADLINES.—The require-
15 ments established under paragraph (1) shall require
16 submission of grant applications not later than—

17 (A) in the case of the first year of program
18 implementation, the date that is 180 days after
19 the publication of the requirements in the Fed-
20 eral Register; and

21 (B) in the case of each subsequent year,
22 June 1 of the year.

23 (c) ELIGIBLE RECIPIENTS.—A grant shall be award-
24 ed under this section only—

1 (1) to 1 or more local or State governmental
2 entities responsible for providing school bus service
3 to 1 or more public school systems or responsible for
4 the purchase of school buses;

5 (2) to 1 or more contracting entities that pro-
6 vide school bus service to 1 or more public school
7 systems, if the grant application is submitted jointly
8 with the 1 or more school systems to be served by
9 the buses, except that the application may provide
10 that buses purchased using funds awarded shall be
11 owned, operated, and maintained exclusively by the
12 1 or more contracting entities; or

13 (3) to a nonprofit school transportation associa-
14 tion representing private contracting entities, if the
15 association has notified and received approval from
16 the 1 or more school systems to be served by the
17 buses.

18 (d) AWARD DEADLINES.—

19 (1) IN GENERAL.—Subject to paragraph (2),
20 the Administrator shall award a grant made to a
21 qualified applicant for a fiscal year—

22 (A) in the case of the first fiscal year of
23 program implementation, not later than the
24 date that is 90 days after the publication of the
25 requirements in the Federal Register; and

1 (B) in the case of each subsequent fiscal
2 year, not later than August 1 of the fiscal year.

3 (2) INSUFFICIENT NUMBER OF QUALIFIED
4 GRANT APPLICATIONS.—If the Administrator does
5 not receive a sufficient number of qualified grant ap-
6 plications to meet the requirements of subsection
7 (i)(1) for a fiscal year, the Administrator shall
8 award a grant made to a qualified applicant under
9 subsection (i)(2) not later than September 30 of the
10 fiscal year.

11 (e) TYPES OF GRANTS.—

12 (1) IN GENERAL.—A grant under this section
13 shall be used for the replacement of diesel school
14 buses manufactured before model year 1991 with al-
15 ternative fuel school buses and ultra-low sulfur die-
16 sel fuel school buses.

17 (2) NO ECONOMIC BENEFIT.—Other than the
18 receipt of the grant, a recipient of a grant under this
19 section may not receive any economic benefit in con-
20 nection with the receipt of the grant.

21 (3) PRIORITY OF GRANT APPLICATIONS.—The
22 Administrator shall give priority to applicants that
23 propose to replace school buses manufactured before
24 model year 1977.

1 (f) CONDITIONS OF GRANT.—A grant provided under
2 this section shall include the following conditions:

3 (1) SCHOOL BUS FLEET.—All buses acquired
4 with funds provided under the grant shall be oper-
5 ated as part of the school bus fleet for which the
6 grant was made for a minimum of 5 years.

7 (2) USE OF FUNDS.—Funds provided under the
8 grant may only be used—

9 (A) to pay the cost, except as provided in
10 paragraph (3), of new alternative fuel school
11 buses or ultra-low sulfur diesel fuel school
12 buses, including State taxes and contract fees;
13 and

14 (B) to provide—

15 (i) up to 20 percent of the price of the
16 alternative fuel school buses acquired, for
17 necessary alternative fuel infrastructure if
18 the infrastructure will only be available to
19 the grant recipient; and

20 (ii) up to 25 percent of the price of
21 the alternative fuel school buses acquired,
22 for necessary alternative fuel infrastructure
23 if the infrastructure will be available to the
24 grant recipient and to other bus fleets.

1 (3) GRANT RECIPIENT FUNDS.—The grant re-
2 cipient shall be required to provide at least—

3 (A) in the case of a grant recipient de-
4 scribed in paragraph (1) or (3) of subsection
5 (c), the lesser of—

6 (i) an amount equal to 15 percent of
7 the total cost of each bus received; or

8 (ii) \$15,000 per bus; and

9 (B) in the case of a grant recipient de-
10 scribed in subsection (c)(2), the lesser of—

11 (i) an amount equal to 20 percent of
12 the total cost of each bus received; or

13 (ii) \$20,000 per bus.

14 (4) ULTRA-LOW SULFUR DIESEL FUEL.—In the
15 case of a grant recipient receiving a grant for ultra-
16 low sulfur diesel fuel school buses, the grant recipi-
17 ent shall be required to provide documentation to
18 the satisfaction of the Administrator that diesel fuel
19 containing sulfur at not more than 15 parts per mil-
20 lion is available for carrying out the purposes of the
21 grant, and a commitment by the applicant to use
22 such fuel in carrying out the purposes of the grant.

23 (5) TIMING.—All alternative fuel school buses,
24 ultra-low sulfur diesel fuel school buses, or alter-
25 native fuel infrastructure acquired under a grant

1 awarded under this section shall be purchased and
2 placed in service as soon as practicable.

3 (g) BUSES.—

4 (1) IN GENERAL.—Except as provided in para-
5 graph (2), funding under a grant made under this
6 section for the acquisition of new alternative fuel
7 school buses or ultra-low sulfur diesel fuel school
8 buses shall only be used to acquire to school buses—

9 (A) with a gross vehicle weight of greater
10 than 14,000 pounds;

11 (B) that are powered by a heavy duty en-
12 gine;

13 (C) in the case of alternative fuel school
14 buses manufactured in model years 2003
15 through 2006, that emit not more than 1.8
16 grams per brake horsepower-hour of non-
17 methane hydrocarbons and oxides of nitrogen
18 and .01 grams per brake horsepower-hour of
19 particulate matter; and

20 (D) in the case of ultra-low sulfur diesel
21 fuel school buses, that emit not more than—

22 (i) for buses manufactured in model
23 year 2003, 3.0 grams per brake horse-
24 power-hour of oxides of nitrogen and .01

1 grams per brake horsepower-hour of par-
2 ticulate matter; and

3 (ii) for buses manufactured in model
4 years 2004 through 2006, 2.5 grams per
5 brake horsepower-hour of nonmethane hy-
6 drocarbons and oxides of nitrogen and .01
7 grams per brake horsepower-hour of par-
8 ticulate matter.

9 (2) LIMITATIONS.—A bus shall not be acquired
10 under this section that emits nonmethane hydro-
11 carbons, oxides of nitrogen, or particulate matter at
12 a rate greater than the best performing technology
13 of the same class of ultra-low sulfur diesel fuel
14 school buses commercially available at the time the
15 grant is made.

16 (h) DEPLOYMENT AND DISTRIBUTION.—The Admin-
17 istrator shall—

18 (1) seek, to the maximum extent practicable, to
19 achieve nationwide deployment of alternative fuel
20 school buses and ultra-low sulfur diesel fuel school
21 buses through the program under this section; and

22 (2) ensure a broad geographic distribution of
23 grant awards, with a goal of no State receiving more
24 than 10 percent of the grant funding made available
25 under this section for a fiscal year.

1 (i) ALLOCATION OF FUNDS.—

2 (1) IN GENERAL.—Subject to paragraph (2), of
3 the amount of grant funding made available to carry
4 out this section for any fiscal year, the Adminis-
5 trator shall use—

6 (A) 70 percent for the acquisition of alter-
7 native fuel school buses or supporting infra-
8 structure; and

9 (B) 30 percent for the acquisition of ultra-
10 low sulfur diesel fuel school buses.

11 (2) INSUFFICIENT NUMBER OF QUALIFIED
12 GRANT APPLICATIONS.—If the Administrator does
13 not receive a sufficient number of qualified grant ap-
14 plications to meet the requirements of subparagraph
15 (A) or (B) of paragraph (1) for a fiscal year, effec-
16 tive beginning on August 1 of the fiscal year, the
17 Administrator shall make the remaining funds avail-
18 able to other qualified grant applicants under this
19 section.

20 (j) REDUCTION OF SCHOOL BUS IDLING.—Each
21 local educational agency (as defined in section 9101 of the
22 Elementary and Secondary Education Act of 1965 (20
23 U.S.C. 7801)) that receives Federal funds under the Ele-
24 mentary and Secondary Education Act of 1965 (20 U.S.C.
25 6301 et seq.) is encouraged to develop a policy, consistent

1 with the health, safety, and welfare of students and the
2 proper operation and maintenance of school buses, to re-
3 duce the incidence of unnecessary school bus idling at
4 schools when picking up and unloading students.

5 (k) ANNUAL REPORT.—

6 (1) IN GENERAL.—Not later than January 31
7 of each year, the Administrator shall transmit to
8 Congress a report evaluating implementation of the
9 program under this section.

10 (2) COMPONENTS.—The report shall include a
11 description of—

12 (A) the total number of grant applications
13 received;

14 (B) the number and types of alternative
15 fuel school buses and ultra-low sulfur diesel fuel
16 school buses requested in grant applications;

17 (C) grants awarded and the criteria used
18 to select the grant recipients;

19 (D) certified engine emission levels of all
20 buses purchased under the program; and

21 (E) any other information the Adminis-
22 trator considers appropriate.

23 (l) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated to the Administrator to

1 carry out this section, to remain available until
2 expended—

- 3 (1) \$45,000,000 for fiscal year 2005;
- 4 (2) \$65,000,000 for fiscal year 2006;
- 5 (3) \$90,000,000 for fiscal year 2007; and
- 6 (4) such sums as are necessary for each of fis-
7 cal years 2008 and 2009.

8 **SEC. ____43. DIESEL RETROFIT PROGRAM.**

9 (a) ESTABLISHMENT.—The Administrator, in con-
10 sultation with the Secretary, shall establish a program for
11 awarding grants on a competitive basis to entities for the
12 installation of retrofit technologies for diesel school buses.

13 (b) ELIGIBLE RECIPIENTS.—A grant shall be award-
14 ed under this section only—

15 (1) to a local or State governmental entity re-
16 sponsible for providing school bus service to 1 or
17 more public school systems;

18 (2) to 1 or more contracting entities that pro-
19 vide school bus service to 1 or more public school
20 systems, if the grant application is submitted jointly
21 with the 1 or more school systems that the buses
22 will serve, except that the application may provide
23 that buses purchased using funds awarded shall be
24 owned, operated, and maintained exclusively by the
25 1 or more contracting entities; or

1 (3) to a nonprofit school transportation associa-
2 tion representing private contracting entities, if the
3 association has notified and received approval from
4 the 1 or more school systems to be served by the
5 buses.

6 (c) AWARDS.—

7 (1) IN GENERAL.—The Administrator shall
8 seek, to the maximum extent practicable, to ensure
9 a broad geographic distribution of grants under this
10 section.

11 (2) PREFERENCES.—In making awards of
12 grants under this section, the Administrator shall
13 give preference to proposals that—

14 (A) will achieve the greatest reductions in
15 emissions of nonmethane hydrocarbons, oxides
16 of nitrogen, or particulate matter per proposal
17 or per bus; or

18 (B) involve the use of emissions control
19 retrofit technology on diesel school buses that
20 operate solely on ultra-low sulfur diesel fuel.

21 (d) CONDITIONS OF GRANT.—A grant shall be pro-
22 vided under this section on the conditions that—

23 (1) buses on which retrofit emissions-control
24 technology are to be demonstrated—

1 (A) will operate on ultra-low sulfur diesel
2 fuel;

3 (B) were manufactured in model year 1991
4 or later; and

5 (C) will be used for the transportation of
6 school children to and from school for a min-
7 imum of 5 years;

8 (2) grants funds will be used for the purchase
9 of emission control retrofit technology, including
10 State taxes and contract fees; and

11 (3) grant recipients will provide at least 15 per-
12 cent of the total cost of the retrofit, including the
13 purchase of emission control retrofit technology and
14 all necessary labor for installation of the retrofit.

15 (e) VERIFICATION.—Not later than 90 days after the
16 date of enactment of this Act, the Administrator shall
17 publish in the Federal Register procedures to verify—

18 (1) the retrofit emissions-control technology to
19 be demonstrated;

20 (2) that buses on which retrofit emissions-con-
21 trol technology are to be demonstrated will operate
22 on diesel fuel containing not more than 15 parts per
23 million of sulfur; and

24 (3) that grants are administered in accordance
25 with this section.

1 (f) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Administrator to
3 carry out this section, to remain available until
4 expended—

5 (1) \$20,000,000 for fiscal year 2005;

6 (2) \$35,000,000 for fiscal year 2006;

7 (3) \$45,000,000 for fiscal year 2007; and

8 (4) such sums as are necessary for each of fis-
9 cal years 2008 and 2009.

10 **SEC. ____44. FUEL CELL SCHOOL BUSES.**

11 (a) ESTABLISHMENT.—The Secretary shall establish
12 a program for entering into cooperative agreements—

13 (1) with private sector fuel cell bus developers
14 for the development of fuel cell-powered school
15 buses; and

16 (2) subsequently, with not less than 2 units of
17 local government using natural gas-powered school
18 buses and such private sector fuel cell bus developers
19 to demonstrate the use of fuel cell-powered school
20 buses.

21 (b) COST SHARING.—The non-Federal contribution
22 for activities funded under this section shall be not less
23 than—

24 (1) 20 percent for fuel infrastructure develop-
25 ment activities; and

1 (2) 50 percent for demonstration activities and
2 for development activities not described in paragraph
3 (1).

4 (c) REPORTS TO CONGRESS.—Not later than 3 years
5 after the date of enactment of this Act, and not later than
6 October 1, 2006, the Secretary shall transmit to Congress
7 a report that—

8 (1) evaluates the process of converting natural
9 gas infrastructure to accommodate fuel cell-powered
10 school buses; and

11 (2) assesses the results of the development and
12 demonstration program under this section.

13 (d) AUTHORIZATION OF APPROPRIATIONS.—There
14 are authorized to be appropriated to the Secretary to carry
15 out this section \$25,000,000 for the period of fiscal years
16 2004 through 2006.

17 **Subtitle D—Miscellaneous**

18 **SEC. ____ 51. RAILROAD EFFICIENCY.**

19 (a) ESTABLISHMENT.—The Secretary of Energy
20 shall, in cooperation with the Secretary of Transportation
21 and the Administrator of the Environmental Protection
22 Agency, establish a cost-shared, public-private research
23 partnership involving the Federal Government, railroad
24 carriers, locomotive manufacturers and equipment sup-
25 pliers, and the Association of American Railroads, to de-

1 velop and demonstrate railroad locomotive technologies
2 that increase fuel economy, reduce emissions, and lower
3 costs of operation.

4 (b) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated to the Secretary of En-
6 ergy to carry out this section—

7 (1) \$25,000,000 for fiscal year 2005;

8 (2) \$35,000,000 for fiscal year 2006; and

9 (3) \$50,000,000 for fiscal year 2007.

10 **SEC. ____52. MOBILE EMISSION REDUCTIONS TRADING AND**
11 **CREDITING.**

12 (a) IN GENERAL.—Not later than 180 days after the
13 date of enactment of this Act, the Administrator of the
14 Environmental Protection Agency shall submit to Con-
15 gress a report on the experience of the Administrator with
16 the trading of mobile source emission reduction credits for
17 use by owners and operators of stationary source emission
18 sources to meet emission offset requirements within a non-
19 attainment area.

20 (b) CONTENTS.—The report shall describe—

21 (1) projects approved by the Administrator that
22 include the trading of mobile source emission reduc-
23 tion credits for use by stationary sources in com-
24 plying with offset requirements, including a descrip-
25 tion of—

- 1 (A) project and stationary sources location;
2 (B) volumes of emissions offset and trad-
3 ed;
4 (C) the sources of mobile emission reduc-
5 tion credits; and
6 (D) if available, the cost of the credits;
7 (2) the significant issues identified by the Ad-
8 ministrator in consideration and approval of trading
9 in the projects;
10 (3) the requirements for monitoring and assess-
11 ing the air quality benefits of any approved project;
12 (4) the statutory authority on which the Admin-
13 istrator has based approval of the projects;
14 (5) an evaluation of how the resolution of issues
15 in approved projects could be used in other projects;
16 and
17 (6) any other issues that the Administrator con-
18 sider relevant to the trading and generation of mo-
19 bile source emission reduction credits for use by sta-
20 tionary sources or for other purposes.

21 **SEC. ____ 53. AVIATION FUEL CONSERVATION AND EMIS-**
22 **SIONS.**

23 (a) IN GENERAL.—Not later than 60 days after the
24 date of enactment of this Act, the Administrator of the
25 Federal Aviation Administration and the Administrator of

1 the Environmental Protection Agency shall jointly initiate
2 a study to identify—

3 (1) the impact of aircraft emissions on air qual-
4 ity in nonattainment areas; and

5 (2) ways to promote fuel conservation measures
6 for aviation to—

7 (A) enhance fuel efficiency; and

8 (B) reduce emissions.

9 (b) FOCUS.—The study under subsection (a) shall
10 focus on how air traffic management inefficiencies, such
11 as aircraft idling at airports, result in unnecessary fuel
12 burn and air emissions.

13 (c) REPORT.—Not later than 180 days after the date
14 of the initiation of the study under subsection (a), the Ad-
15 ministrator of the Federal Aviation Administration and
16 the Administrator of the Environmental Protection Agen-
17 cy shall jointly submit to the Committee on Energy and
18 Commerce and the Committee on Transportation and In-
19 frastructure of the House of Representatives and the Com-
20 mittee on Environment and Public Works and the Com-
21 mittee on Commerce, Science, and Transportation of the
22 Senate a report that—

23 (1) describes the results of the study; and

1 (2) includes any recommendations on ways in
2 which unnecessary fuel use and emissions affecting
3 air quality may be reduced—

4 (A) without adversely affecting safety and
5 security and increasing individual aircraft noise;
6 and

7 (B) while taking into account all aircraft
8 emissions and the impact of the emissions on
9 human health.

10 **SEC. ____54. DIESEL FUELED VEHICLES.**

11 (a) DEFINITION OF TIER 2 EMISSION STANDARDS.—

12 In this section, the term “tier 2 emission standards”
13 means the motor vehicle emission standards that apply to
14 passenger cars, light trucks, and larger passenger vehicles
15 manufactured after the 2003 model year, as promulgated
16 on February 10, 2000, by the Administrator of the Envi-
17 ronmental Protection Agency under sections 202 and 211
18 of the Clean Air Act (42 U.S.C. 7521, 7545).

19 (b) DIESEL COMBUSTION AND AFTER-TREATMENT
20 TECHNOLOGIES.—The Secretary of Energy shall accel-
21 erate efforts to improve diesel combustion and after-treat-
22 ment technologies for use in diesel fueled motor vehicles.

23 (c) GOALS.—The Secretary shall carry out subsection

24 (b) with a view toward achieving the following goals:

1 (1) Developing and demonstrating diesel tech-
2 nologies that, not later than 2010, meet the fol-
3 lowing standards:

4 (A) Tier 2 emission standards.

5 (B) The heavy-duty emissions standards of
6 2007 that are applicable to heavy-duty vehicles
7 under regulations promulgated by the Adminis-
8 trator of the Environmental Protection Agency
9 as of the date of enactment of this Act.

10 (2) Developing the next generation of low-emis-
11 sion, high efficiency diesel engine technologies, in-
12 cluding homogeneous charge compression ignition
13 technology.

14 **SEC. ____ 55. HIGH OCCUPANCY VEHICLE EXCEPTION.**

15 Notwithstanding section 102(a) of title 23, United
16 States Code, a State may permit a vehicle with fewer than
17 2 occupants to operate in high occupancy vehicle lanes if
18 the vehicle—

19 (1) is a dedicated vehicle (as defined in section
20 301 of the Energy Policy Act of 1992 (42 U.S.C.
21 13211)); or

22 (2) is a hybrid vehicle (as defined by the State
23 for the purpose of this section).

24 **SEC. ____ 56. CONSERVE BY BICYCLING PROGRAM.**

25 (a) DEFINITIONS.—In this section:

1 (1) PROGRAM.—The term “program” means
2 the Conserve by Bicycling Program established by
3 subsection (b).

4 (2) SECRETARY.—The term “Secretary” means
5 the Secretary of Transportation.

6 (b) ESTABLISHMENT.—There is established within
7 the Department of Transportation a program to be known
8 as the “Conserve by Bicycling Program”.

9 (c) PROJECTS.—

10 (1) IN GENERAL.—In carrying out the program,
11 the Secretary shall establish not more than 10 pilot
12 projects that are—

13 (A) dispersed geographically throughout
14 the United States; and

15 (B) designed to conserve energy resources
16 by encouraging the use of bicycles in place of
17 motor vehicles.

18 (2) REQUIREMENTS.—A pilot project described
19 in paragraph (1) shall—

20 (A) use education and marketing to con-
21 vert motor vehicle trips to bicycle trips;

22 (B) document project results and energy
23 savings (in estimated units of energy con-
24 served);

1 (C) facilitate partnerships among inter-
2 ested parties in at least 2 of the fields of—

- 3 (i) transportation;
4 (ii) law enforcement;
5 (iii) education;
6 (iv) public health;
7 (v) environment; and
8 (vi) energy;

9 (D) maximize bicycle facility investments;

10 (E) demonstrate methods that may be
11 used in other regions of the United States; and

12 (F) facilitate the continuation of ongoing
13 programs that are sustained by local resources.

14 (3) COST SHARING.—At least 20 percent of the
15 cost of each pilot project described in paragraph (1)
16 shall be provided from State or local sources.

17 (d) ENERGY AND BICYCLING RESEARCH STUDY.—

18 (1) IN GENERAL.—Not later than 2 years after
19 the date of enactment of this Act, the Secretary
20 shall enter into a contract with the National Acad-
21 emy of Sciences for, and the National Academy of
22 Sciences shall conduct and submit to Congress a re-
23 port on, a study on the feasibility of converting
24 motor vehicle trips to bicycle trips.

25 (2) COMPONENTS.—The study shall—

1 (A) document the results or progress of
2 the pilot projects under subsection (c);

3 (B) determine the type and duration of
4 motor vehicle trips that people in the United
5 States may feasibly make by bicycle, taking into
6 consideration factors such as—

7 (i) weather;

8 (ii) land use and traffic patterns;

9 (iii) the carrying capacity of bicycles;

10 and

11 (iv) bicycle infrastructure;

12 (C) determine any energy savings that
13 would result from the conversion of motor vehi-
14 cle trips to bicycle trips;

15 (D) include a cost-benefit analysis of bicy-
16 cle infrastructure investments; and

17 (E) include a description of any factors
18 that would encourage more motor vehicle trips
19 to be replaced with bicycle trips.

20 (e) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated to the Secretary to carry
22 out this section \$6,200,000, to remain available until ex-
23 pended, of which—

24 (1) \$5,150,000 shall be used to carry out pilot
25 projects described in subsection (c);

1 (2) \$300,000 shall be used by the Secretary to
2 coordinate, publicize, and disseminate the results of
3 the program; and

4 (3) \$750,000 shall be used to carry out sub-
5 section (d).

6 **SEC. ____ 57. REDUCTION OF ENGINE IDLING OF HEAVY-**
7 **DUTY VEHICLES.**

8 (a) DEFINITIONS.—In this section:

9 (1) ADMINISTRATOR.—The term “Adminis-
10 trator” means the Administrator of the Environ-
11 mental Protection Agency.

12 (2) ADVANCED TRUCK STOP ELECTRIFICATION
13 SYSTEM.—The term “advanced truck stop elec-
14 trification system” means a stationary system that
15 delivers heat, air conditioning, electricity, and com-
16 munications, and is capable of providing verifiable
17 and auditable evidence of use of those services, to a
18 heavy-duty vehicle and any occupants of the heavy-
19 duty vehicle without relying on components mounted
20 onboard the heavy-duty vehicle for delivery of those
21 services.

22 (3) AUXILIARY POWER UNIT.—The term “auxil-
23 iary power unit” means an integrated system that—

24 (A) provides heat, air conditioning, engine
25 warming, and electricity to the factory-installed

1 components on a heavy-duty vehicle as if the
2 main drive engine of the heavy-duty vehicle
3 were running; and

4 (B) is certified by the Administrator under
5 part 89 of title 40, Code of Federal Regulations
6 (or any successor regulation), as meeting appli-
7 cable emission standards.

8 (4) HEAVY-DUTY VEHICLE.—The term “heavy-
9 duty vehicle” means a vehicle that—

10 (A) has a gross vehicle weight rating great-
11 er than 12,500 pounds; and

12 (B) is powered by a diesel engine.

13 (5) IDLE REDUCTION TECHNOLOGY.—The term
14 “idle reduction technology” means an advanced
15 truck stop electrification system, auxiliary power
16 unit, or other device or system of devices that—

17 (A) is used to reduce long-duration idling
18 of a heavy-duty vehicle; and

19 (B) allows for the main drive engine or
20 auxiliary refrigeration engine of a heavy-duty
21 vehicle to be shut down.

22 (6) LONG-DURATION IDLING.—

23 (A) IN GENERAL.—The term “long-dura-
24 tion idling” means the operation of a main
25 drive engine or auxiliary refrigeration engine of

1 a heavy-duty vehicle, for a period greater than
2 15 consecutive minutes, at a time at which the
3 main drive engine is not engaged in gear.

4 (B) EXCLUSIONS.—The term “long-dura-
5 tion idling” does not include the operation of a
6 main drive engine or auxiliary refrigeration en-
7 gine of a heavy-duty vehicle during a routine
8 stoppage associated with traffic movement or
9 congestion.

10 (b) IDLE REDUCTION TECHNOLOGY BENEFITS, PRO-
11 GRAMS, AND STUDIES.—

12 (1) IN GENERAL.—Not later than 90 days after
13 the date of enactment of this Act, the Administrator
14 shall—

15 (A)(i) commence a review of the mobile
16 source air emission models of the Environ-
17 mental Protection Agency used under the Clean
18 Air Act (42 U.S.C. 7401 et seq.) to determine
19 whether the models accurately reflect the emis-
20 sions resulting from long-duration idling of
21 heavy-duty vehicles and other vehicles and en-
22 gines; and

23 (ii) update those models as the Adminis-
24 trator determines to be appropriate; and

1 (B)(i) commence a review of the emission
2 reductions achieved by the use of idle reduction
3 technology; and

4 (ii) complete such revisions of the regula-
5 tions and guidance of the Environmental Pro-
6 tection Agency as the Administrator determines
7 to be appropriate.

8 (2) DEADLINE FOR COMPLETION.—Not later
9 than 180 days after the date of enactment of this
10 Act, the Administrator shall—

11 (A) complete the reviews under subpara-
12 graphs (A)(i) and (B)(i) of paragraph (1); and

13 (B) prepare and make publicly available 1
14 or more reports on the results of the reviews.

15 (3) DISCRETIONARY INCLUSIONS.—The reviews
16 under subparagraphs (A)(i) and (B)(i) of paragraph
17 (1) and the reports under paragraph (2)(B) may ad-
18 dress the potential fuel savings resulting from use of
19 idle reduction technology.

20 (4) IDLE REDUCTION DEPLOYMENT PRO-
21 GRAM.—

22 (A) ESTABLISHMENT.—

23 (i) IN GENERAL.—Not later than 90
24 days after the date of enactment of this
25 Act, the Administrator, in consultation

1 with the Secretary of Transportation, shall
2 establish a program to support deployment
3 of idle reduction technology.

4 (ii) PRIORITY.—The Administrator
5 shall give priority to the deployment of idle
6 reduction technology based on beneficial ef-
7 fects on air quality and ability to lessen
8 the emission of criteria air pollutants.

9 (B) FUNDING.—

10 (i) AUTHORIZATION OF APPROPRIA-
11 TIONS.—There are authorized to be appro-
12 priated to the Administrator to carry out
13 subparagraph (A) \$19,500,000 for fiscal
14 year 2004, \$30,000,000 for fiscal year
15 2005, and \$45,000,000 for fiscal year
16 2006.

17 (ii) COST SHARING.—Subject to clause
18 (iii), the Administrator shall require at
19 least 50 percent of the costs directly and
20 specifically related to any project under
21 this section to be provided from non-Fed-
22 eral sources.

23 (iii) NECESSARY AND APPROPRIATE
24 REDUCTIONS.—The Administrator may re-
25 duce the non-Federal requirement under

1 clause (ii) if the Administrator determines
2 that the reduction is necessary and appro-
3 priate considering the technological risks
4 involved in the project and is necessary to
5 meet the objectives of this section.

6 (5) IDLING LOCATION STUDY.—

7 (A) IN GENERAL.—Not later than 90 days
8 after the date of enactment of this Act, the Sec-
9 retary of Transportation, in consultation with
10 the Administrator, shall commence a study to
11 analyze all locations at which heavy-duty vehi-
12 cles stop for long-duration idling, including—

- 13 (i) truck stops;
- 14 (ii) rest areas;
- 15 (iii) border crossings;
- 16 (iv) ports;
- 17 (v) transfer facilities; and
- 18 (vi) private terminals.

19 (B) DEADLINE FOR COMPLETION.—Not
20 later than 180 days after the date of enactment
21 of this Act, the Secretary shall—

- 22 (i) complete the study under subpara-
23 graph (A); and

1 (ii) prepare and make publicly avail-
2 able 1 or more reports of the results of the
3 study.

4 (c) VEHICLE WEIGHT EXEMPTION.—Section 172(a)
5 of title 23, United States Code, is amended—

6 (1) by designating the first through eleventh
7 sentences as paragraphs (1) through (11), respec-
8 tively; and

9 (2) by adding at the end the following:

10 “(12) HEAVY DUTY VEHICLES.—

11 “(A) IN GENERAL.—Subject to subpara-
12 graphs (B) and (C), in order to promote reduc-
13 tion of fuel use and emissions because of engine
14 idling, the maximum gross vehicle weight limit
15 and the axle weight limit for any heavy-duty ve-
16 hicle equipped with an idle reduction technology
17 shall be increased by a quantity necessary to
18 compensate for the additional weight of the idle
19 reduction system.

20 “(B) MAXIMUM WEIGHT INCREASE.—The
21 weight increase under subparagraph (A) shall
22 be not greater than 250 pounds.

23 “(C) PROOF.—On request by a regulatory
24 agency or law enforcement agency, the vehicle

1 operator shall provide proof (through dem-
2 onstration or certification) that—

3 “(i) the idle reduction technology is
4 fully functional at all times; and

5 “(ii) the 250-pound gross weight in-
6 crease is not used for any purpose other
7 than the use of idle reduction technology
8 described in subparagraph (A).”.